

TORONTO STOCK EXCHANGE

FILING STATEMENT No. 543.
ACCEPTED FOR FILING, FEBRUARY 23rd. 1961.

GRANDUC MINES, LIMITED (Non-Personal Liability)

Full corporate name of Company

Incorporated under the British Columbia Companies Act by Certificate of Incorporation dated March 19th, 1953.

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953 (Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	An underwriting and option agreement on the balance of the Company's treasury stock. (See Item 6 below).
2. Head office address and any other office address.	1111 West Georgia Street, Vancouver 5, B. C.
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	L. T. Postle, 1111 West Georgia Str., Vancouver, B. C. President, The Granby Mining Company Limited. J. Drybrough, 211 Portage Ave., Winnipeg, Manitoba. President, Newmont Mining Corporation Canada Limited. M. D. Banghart, 300 Park Avenue, New York 22, N. Y. Vice-President, Newmont Mining Corporation. W. G. Lane, 470 Granville Street, Vancouver, B. C. Barrister and Solicitor. W. G. Gourlay, 1111 West Georgia Street, Vancouver, B. C. Treasurer, The Granby Mining Company Limited.
4. Share capitalization showing authorized and issued and outstanding capital.	Authorized - 4,000,000 shares Issued and Outstanding - 3,511,111 shares
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	NIL
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	By an agreement dated February 3rd, 1961 Newmont Mining Corporation has given a firm underwriting on 26,666 shares of the Company at \$1.50 per share payable forthwith. The Granby Mining Company Limited has given a firm underwriting on 13,334 shares of the Company at \$1.50 per share payable forthwith. Newmont Mining Corporation has given the Company a firm underwriting on 120,000 shares at \$1.50 per share payable on or before June 30th, 1961. The Granby Mining Company Limited has given the Company a firm underwriting on 60,000 shares at \$1.50 per share payable on or before June 30th, 1961. The Company has given an option to Newmont Mining Corporation up to and including December 31st, 1962 to purchase all or any part or parts of 179,259 shares of the Company's capital stock at a price of \$1.50 per share and The Granby Mining Company has an option up to and including December 31st, 1962 to purchase all or any part or parts of 89,630 shares of the Company's capital stock at a price of \$1.50 per share with a proviso to the effect that either Newmont Mining Corporation or The Granby Mining Company Limited may acquire the whole or that part of those of the said optioned shares which are not taken down by the other of them.
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	Newmont Mining Corporation The Granby Mining Company Limited
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	NIL
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	Development plans 1961 - 22,000 feet diamond drilling, 500 feet adit and follow-up of miscellaneous exploration started in 1959-60. Total estimated cost of program \$500,000. All funds to be supplied by proceeds from sale of treasury shares.

FINANCIAL STATEMENTS

GRANDUC MINES LIMITED (Non-Personal Liability)

Balance Sheet
December 31, 1960

Assets		Liabilities	
Current assets:			
Cash	\$ 19,000	Accounts payable	\$ 88,430
Accounts receivable	483	Capital and paid-in surplus:	
	19,483	Capital stock:	
Mineral claims at cost, including \$1,000,000 for shares issued in consideration for claims	1,016,000	Shares of \$1.00 par value. Authorized 4,000,000 shares; issued 3,511,111 shares of which 150,000 were issued during the year for \$225,000	\$ 3,511,111
Land, buildings and equipment, at cost:		Paid-in surplus:	
Land	\$ 4,890	Balance December 31, 1959	\$ 2,388,880
Buildings, machinery and equipment	579,795	Premium on shares issued during the year	75,000
Automotive equipment	133,557		2,463,880
Exploration and development expenditure, per accompanying statement			5,974,991
Incorporation expense	4,305,408		
	4,288	Signed on behalf of the Board:	
	\$ 6,063,421	<i>[Signature]</i> Director	
		"L. T. Postle" Director	
		"W. G. Gourlay" Director	\$ 6,063,421

Note: No provision has been made for depreciation of buildings, machinery and equipment in accordance with the practice of deferring such provisions until operations have commenced.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the balance sheet of Granduc Mines Limited (Non-Personal Liability) as of December 31, 1960, and the statement of exploration and development expenditure for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, and according to the best of our information and the explanations given to us and as shown by the books of the company, the above balance sheet and accompanying statement of exploration and development expenditure are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the company at December 31, 1960, and the results of its operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Per, Harris, Nuttall & Co.
Chartered Accountants.

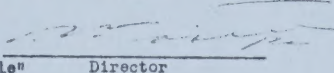
Vancouver, B.C.,
January 25, 1961.

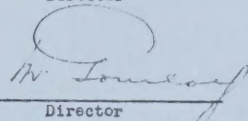
GRANDUC MINES LIMITED (Non-Personal Liability)
Statement of Exploration and Development Expenditure
Year ended December 31, 1960

Balance at December 31, 1959		\$ 4,036,670
Exploration:		
Prospecting and engineering labour and overhead charges	\$ 92,066	
Aircraft rentals	68,012	
Geophysical surveys	27,714	
Diamond drilling	11,887	
Engineering surveys	9,582	
Recording, staking and assessment fees	10,742	
Supplies	22,938	
Travelling	8,284	
Communications	1,369	
Trucking	3,310	
Loss on sale of equipment	2,013	
Sundries	<u>2,396</u>	
	260,313	
Less rents received	<u>3,143</u>	257,170
Head office and administrative expenditure:		
Caretaker's wages and overhead charges (Stewart, B.C.)	3,768	
Office rent	1,200	
Insurance	2,199	
Property and mineral taxes	1,520	
Transfer agent's fees and expenses	1,994	
Legal and audit fees	544	
Sundries	<u>343</u>	
		<u>11,568</u>
Balance at December 31, 1960		\$ <u>4,205,408</u>

SOURCE AND APPLICATION STATEMENT FOR THE YEAR ENDING DECEMBER 31, 1960

	<u>December 31</u> <u>1959</u>	<u>December 31</u> <u>1960</u>
Net Current Assets:		
Current Assets	\$ 14,495	\$ 19,483
Current Liabilities	<u>44,092</u>	<u>88,430</u>
	<u>29,597</u>	<u>68,947</u>
		\$ <u>39,350</u>
Expenditures		
Mineral Claims	\$ 1,000	
Plant Buildings & Equipment	1,575	
Exploration, Head office and Administration Expenditures	<u>266,725</u>	269,300
Receipts		
Sale of Treasury Shares (150,000 shares at \$1.50 per share)	225,000	
Proceeds from sale of equipment	<u>4,950</u>	<u>229,950</u>
Net Decrease in Current Assets		\$ <u>39,350</u>

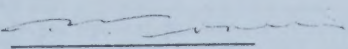
"L. T. Postle"  Director

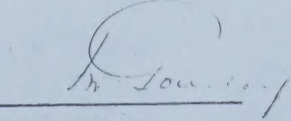
"W. G. Gourlay"  Director

GRANDUC MINES LIMITED (NON PERSONAL LIABILITY)

STATEMENT OF MATERIAL CHANGES SINCE
DECEMBER 31st, 1960.

NIL

"L. T. Postle"  Director

"W. G. Gourlay"  Director

10. Brief statement of company's chief development work during past year.	In 1960 all activities were directed toward exploration of new areas. In one case 1,963 feet of diamond drilling was done to follow up a discovery.
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	NIL
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	NIL
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	NIL
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	NIL
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	Newmont Mining Corporation, 300 Park Ave., New York, N.Y. 1,321,658 shares, beneficially owned. The Granby Mining Company Limited, 1111 West Georgia St., Vancouver, B.C., 1,113,948 shares, beneficially owned. Bralorne-Pioneer Mines Ltd., 355 Burrard Street, Vancouver B.C. 61,700 shares, beneficially owned. H.A. Timmins (1959) Ltd., c/o Royal Trust Co., Montreal, Quebec, 61,500 shares, beneficially owned. Gairdner & Co., 320 Bay St., Toronto, Ont., 51,240 shares, not beneficially owned.
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	Newmont Mining Corporation, 300 Park Ave., New York 22, N. Y. The Granby Mining Company Limited, 1111 West Georgia Str., Vancouver, B. C.
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	Not applicable.
18. Brief statement of any lawsuits pending or in process against company or its properties.	NIL
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	NIL
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	NIL

DATED February 3, 1961.

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"L. T. Postle"

"J. Drybrough"

CORPORATE
SEAL

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

"L. T. Postle"

"M. D. Banghart"

M. D. Banghart, Vice President